

volving the patent was foreseeable except in the Sixth Circuit. After the order denying the petition for writ of certiorari, circumstances have occurred which show a definite intention on the part of Respondent to confine litigation to the Sixth Circuit. Respondent has the power to carry out such intention. These circumstances are as follows:

1. On December 27, 1948, Respondent, The Bishop and Babcock Manufacturing Company, filed a patent infringement suit against Sears, Roebuck and Co. in the District Court of the United States for the Northern District of Ohio, Eastern Division, charging infringement of the patent in suit despite the fact that the alleged infringement by Sears, Roebuck and Co. was the sale of heaters manufactured by the E. A. Laboratories, Inc. who manufacture the said heaters in New York in the Second Circuit.

2. Petitioner has been informed by the attorney for E. A. Laboratories, Inc. that he has investigated the possibilities of filing a declaratory judgment suit against The Bishop and Babcock Manufacturing Company in view of the suit by The Bishop and Babcock Manufacturing Company against E. A. Laboratories' customers, but has found that such a suit cannot be brought outside of the Sixth Circuit since The Bishop and Babcock Manufacturing Company resides in the Sixth Circuit and is not registered to do business in any state outside of the Sixth Circuit.

3. Upon information and belief Petitioner also states that Respondent sells heaters coming under the Mayo patent involved in suit between Petitioner and Respondent through The Bishop and Babcock Sales Corporation, a separate corporate entity and a corporation of New York. By using this corporation to make sales in New York and other states outside of the Sixth Circuit, Respondent is enabled in effect to do business outside of the Sixth Circuit without being subject to a declaratory judgment suit

to have its patent declared invalid outside of the Sixth Circuit.

The peculiar circumstances that make it possible for Respondent to accomplish its purpose by bringing suit in this Sixth Circuit alone are that the great majority of automobile heaters are assembled in cars that are made in the Sixth Circuit, or are sold by mail order houses which sell in the Sixth Circuit. Thus the automobile manufacturer may be enjoined from assembling such heaters, and the heater manufacturer, no matter what circuit he is in, will, on such suit in the Sixth Circuit, be unable to sell heaters and will be unable to test the validity of the patent in any other circuit since Respondent need not sue him, and as shown by the aforementioned facts, will not sue him. Neither will he be able to bring a declaratory judgment suit elsewhere since Respondent is registered to do business only in Ohio, its place of incorporation.

An affidavit of David S. Kane, attorney for E. A. Laboratories, Inc., swearing to the aforementioned facts, is presented at the end of this Petition.

Cases in which this Court has granted a petition for rehearing and revoked or vacated an order denying certiorari, and granted such writ in similar circumstances include:

Kellogg Company v. National Biscuit Company,
304 U. S. 586; s. c. 302 U. S. 777, 733.

Schriber-Schroth Co. v. Cleveland Trust Co., 304
U. S. 587; s. c. 303 U. S. 667, 639.

Paramount Publix Corp. v. American Tri-Ergon Corp., 293 U. S. 528, 55 S. Ct. 139, 79 L. Ed. 639.

Altoona Publix Theatres, Inc. v. American Tri-Ergon Corp., 293 U. S. 528, 55 S. Ct., 139, 79 L. Ed. 638.

Considering then the fatal disabilities under which this patent is laboring (as pointed out in our Petition for Certiorari) it is now clear from Respondent's conduct subsequently to the filing of said petition, that, good or bad, this patent will remain unchallenged as to its validity throughout its life unless this Court grant our petition.

Respectfully submitted,

MAX W. ZABEL,
FOSTER YORK,
Counsel for Petitioner.

I, Max W. Zabel, counsel for the above named petitioner, do hereby certify that the foregoing Petition for Rehearing is presented in good faith and not for delay, and that it is based upon intervening circumstances of substantial and controlling effect.

MAX W. ZABEL,
Counsel for Petitioner.

AFFIDAVIT OF DAVID S. KANE.

STATE OF NEW YORK, }
COUNTY OF NEW YORK. } ss.

DAVID S. KANE, being duly sworn, deposes and says that he is the attorney for the E. A. Laboratories, Inc., a corporation organized and existing under and by virtue of the laws of the State of New York; that E. A. Laboratories, Inc. manufactures heaters in New York and sells such heaters to Sears, Roebuck and Company, a corporation organized and existing under and by virtue of the laws of the State of New York; that on December 27, 1948, The Bishop and Babcock Manufacturing Company, a corporation organized and existing under and by virtue of the laws of the State of Ohio, filed patent infringement suit against Sears, Roebuck and Company in the District Court of the United States for the Northern District of Ohio, Eastern Division, alleging infringement of the Mayo patent 2,322,041 by virtue of the sale by Sears, Roebuck and Company of said E. A. Laboratories, Inc. heaters; that he has investigated the possibilities of bringing a declaratory judgment suit on behalf of his client, E. A. Laboratories, Inc. against The Bishop and Babcock Manufacturing Company in New York City, and elsewhere outside of the Sixth Circuit; that he has received letters from the Secretaries of State of all states in the United States, and that the Secretaries of all states outside of Ohio in the Sixth Circuit state that The Bishop and Babcock Manufacturing Company is not registered to do business in the state of which they are secretaries, and that he has advised his client that a declaratory judgment suit cannot be brought against The Bishop and Babcock Manufacturing Company in any state outside

of the Sixth Circuit; that The Bishop and Babcock Manufacturing Company sells heaters coming under the aforementioned Mayo patent through The Bishop and Babcock Sales Corporation, a separate corporate entity and a corporation of New York; that the great majority of automobile heaters are assembled in cars that are made in the Sixth Circuit, or are sold by mail order companies that sell in the Sixth Circuit; and that he has been informed by Sears, Roebuck and Company that unless he is successful in defending the suit in the Sixth Circuit his client will not receive any further orders for heaters from Sears, Roebuck and Company.

(Signed) DAVID S. KANE.

Subscribed and sworn to before me this 27th day of April, 1949.

(Signed) VLASTA L. KNAKAL,

(NOTARIAL SEAL)

Notary Public.

My commission expires March 30, 1950.

TH

ME

T

T

Ma

FILE COPY

Office - Supreme Court, U. S.
FILED

MAY 21 1949

CHARLES ELMORE CROPLEY
CLERK

IN THE
Supreme Court of the United States

OCTOBER TERM, 1948.

No. 162

EXCEL AUTO RADIATOR COMPANY,
Petitioner,
vs.

THE BISHOP AND BABCOCK MANUFACTURING
COMPANY,
Respondent.

**MEMORANDUM IN REPLY TO MOTION FOR LEAVE
TO FILE PETITION FOR REHEARING AND PETI-
TION FOR REHEARING.**

✓ JOHN A. DIENNER,
53 W. Jackson Blvd.,
Chicago 4, Illinois,

✓ JOHN T. SCOTT,
1649 Union Commerce Bldg.,
Cleveland 14, Ohio,
Counsel for Respondent.

May 20, 1949.

IN THE
Supreme Court of the United States

OCTOBER TERM, 1948.

No. 162.

EXCEL AUTO RADIATOR COMPANY,
Petitioner,
vs.

THE BISHOP AND BABCOCK MANUFACTURING
COMPANY,
Respondent.

**MEMORANDUM IN REPLY TO MOTION FOR LEAVE
TO FILE PETITION FOR REHEARING AND PETI-
TION FOR REHEARING.**

The Petitioner, Excel Auto Radiator Company, on July 19, 1948, filed a petition for a writ of certiorari to the United States Circuit Court of Appeals for the Sixth Circuit in this suit, wherein the Circuit Court of Appeals sustained the validity of a patent granted to the Respondent, one of the grounds upon which the petition was based being that "the patent covers such devices (automobile heaters) broadly, and as its use is confined to the automobile trade which is concentrated in the Sixth Circuit, no other litigation is foreseeable". This petition for a writ of certiorari was denied by the United States Supreme Court on October 11, 1948. A petition for rehearing was filed in this Court by the Petitioner on October 25, 1948,

and was denied by this Court on November 15, 1948. The Petitioner has now, on May 7, 1949, filed its motion for leave to file a second petition for rehearing of the petition for a writ of certiorari. The ground for the motion for leave to file the second petition for rehearing is the same as the above mentioned ground urged in the original petition for a writ of certiorari, to wit, that the validity of the patent is not likely to be again litigated outside of the Sixth Circuit.

We understand that it is not usual to file a memorandum in opposition to a motion for leave to file a petition for rehearing on a petition for writ of certiorari, but the statements made by the Petitioner in its motion for leave to file a second petition for rehearing and in the said petition are so misleading (and some untrue) that a brief statement as to the facts may be in order.

The patent upheld by the Circuit Court of Appeals for the Sixth Circuit is on an improved automobile heater described therein. Automobile heaters are accessories which are sold by automobile manufacturers as optional equipment and are also sold by independent automotive accessory jobbers, stores and dealers located in the various communities throughout the United States. Automobile heaters are of many different types, and of the automobile heaters now being sold by the automobile manufacturers, only a small percentage are of a type covered by any of the claims of the patent in suit. (By far the majority of the automobile heaters sold by the automobile manufacturers are now being manufactured by the automobile companies themselves, General Motors Corporation, Chrysler Corporation, The Studebaker Corporation and Nash-Kelvinator Corporation manufacturing all of their heaters for passenger cars.) The best market now remaining to independent manufacturers of automobile heaters is the market furnished by many thousands of independent

automotive accessory jobbers and stores and other dealers in automotive accessories. Except for a very few large chain stores, these independent jobbers and stores and other dealers in automotive accessories sell automobile heaters only in their own localities (and some large chain stores do not do business in the Sixth Circuit) so that if they sell infringing automobile heaters, they could be sued for infringement only in the judicial circuit where the particular jobber, store or dealer is located. There are, besides the Respondent, at least eight independent manufacturers of automobile heaters which sell their heaters to the independent jobbers, stores and dealers in automobile accessories. All of these eight independent manufacturers are located outside of the Sixth Circuit. The result is that if Respondent's patent should be infringed by any of these independent manufacturing concerns, or by any of the many thousands of independent jobbers and stores and other dealers in automotive accessories, except those jobbers, stores and dealers doing a local business in the Sixth Circuit and a very few chain stores having stores in the Sixth Circuit as well as in other Circuits, the Respondent would be obliged to go outside of the Sixth Circuit in order to sue such infringers, although the Petitioner apparently seeks to convey a contrary impression in its motion and petition for a rehearing. The only new event alleged by the Petitioner in its second petition for a rehearing is that the Respondent has brought a suit against Sears, Roebuck and Co. in the Sixth Circuit for infringement of the patent in suit, but this event is without significance since Sears, Roebuck and Co. has six stores in the Respondent's own city of Cleveland, and it is in these stores that the Respondent found proof that Sears, Roebuck and Co. was infringing that patent, and it was only natural for the Respondent to bring its suit in the Circuit wherein Cleveland is located. Whether or not